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Montana Board of Housing Approves Tax Credits for Affordable Housing Development

Credits will leverage more than \$29 million in construction investment

(HELENA) – On Wednesday April 4, 2007 the Montana Board of Housing approved Missoula, Polson, Helena, Glendive, Lewistown and the Fort Peck Reservation as applicants for the first round of the 2007 Tax Credit Allocation Process. The federal tax credits help finance the creation of affordable housing for low to moderate income families across Montana.

“The Tax Credit Allocation Process is a valuable financing tool that helps create affordable housing in the communities that need it most. Many Montana families and seniors are desperate for affordable housing, and these credits will help give them a place to call home,” said Governor Brian Schweitzer.

“The enormous leveraging power of these tax credits encourage building investment in Montana,” said Anthony Preite, Director of the Montana Department of Commerce. “The credits help create more than just homes, they create good paying jobs and revenue for local governments.”

The State of Montana had nearly \$2.4 million in federal tax credits for 2007 to allocate to projects which build or rehabilitate rental housing for low and moderate income

Montanans. An additional \$80,324 in credits from an amount returned in 2006 increased the 2007 increased the allocation from \$2.275 million to nearly \$2.4 million.

Montana benefits from the generation of approximately \$20 million in construction expenditures each year, in addition to money spent on building, many jobs are created in construction, property management and property maintenance. Property taxes or payment in lieu of taxes are also a direct benefit to the local governments.

The projects in Missoula, Polson, Helena, Fort Peck Reservation (scattered site), Glendive and Lewistown are for new construction and acquisition rehabilitation. These six projects will add a total of 117 new units and 66 rehabilitated units to the housing market, and will consist of senior housing and family units featuring one to four bedrooms. The total proposed construction cost for the projects allocated is \$29.8 million.

There were 10 other projects submitted totaling \$39.7 million in construction costs that were not allocated credits. Competition is strong and there are always projects that could have been funded if Montana had additional credits.

For information on this and other multifamily programs, contact the Board of Housing at 406-841-2840.

Information on Approved Projects:

Missoula: Liberty Lanes
601 N. Russell
New Project cost: \$8,489,538
Efficiency, 1 & 2 Bedroom Family Units
homeWORD, Inc – Heather McMilan – 532-4663

Fort Peck Reservation: Scattered Site Single Family Rentals
Acquisition/Rehab Project cost: \$3,085,346
Fort Peck Housing Authority
Maurice Lambert – 406-546-8988

Glendive: Makoshika Estates
660 Grant
New Project cost: \$2,278,045
Dawson Co Economic Development Council
Gene Buxcel - 406-377-3762

Lewistown: Ouellette Place
Fountain Terrace Subdivision
New Project and Acquisition/Rehab cost: \$3,652,599
Lewistown Community Development Corp
Duane Ferdinand – 406-535-1775

Helena: Eagles Manor II Residences
720 Washington Street
Acquisition/Rehab Project cost: \$6,369,640
Rocky Mountain Development Council
Gene Leuwer – 406-447-1680

Polson: Polson Meadows
Hiway 35
New Project cost: \$5,956,533
Cherry Lakeland Properties, LLP
Tim German – 406-251-5076

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